Caesars’ shares slide after court ruling

By Steven Church, Bloomberg

Caesars Entertainment Corp. tumbled the most in more than a year after a judge ruled that the casino company must face bondholder lawsuits that could force it into bankruptcy alongside its main operating unit.

The shares fell 15 percent to $6.37 this morning in New York, and dropped as much as 28 percent earlier, the biggest intraday drop since July 2015. They had been down 11 percent in the past year through Friday.

The ruling by U.S. Bankruptcy Judge A. Benjamin Goldgar in Chicago on Friday means Caesars could lose court cases by mid-September in New York and Delaware worth $11.4 billion. Judges in those states have scheduled court hearings to decide whether to rule immediately against the Las Vegas-based company, dismiss key parts of the suits, or send the cases to trial.

Caesars is the parent company of Harrah’s Lake Tahoe and Harveys.

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